

**Testimony of Deputy Assistant Secretary Eric G. John  
On Human Rights in Vietnam  
Subcommittee on Asia and the Pacific and  
Subcommittee on Africa, Global Human Rights and  
International Operations of the  
Committee on International Relations  
March 29, 2006**

Thank you for inviting me to appear before the  
Subcommittees today.

This hearing is timely not only because of the resumption  
of our bilateral Human Rights Dialogue, but also because a  
convergence of events and issues has the potential to make  
2006 a watershed year for U.S.-Vietnam relations.

Mr. Chairman, before I delve further into this topic, I  
would like to thank you for your long-standing interest in  
Vietnam. Your many visits to Vietnam and your forceful  
voice on human rights and advocacy for religious freedom  
have helped bring positive change in Vietnam.

Extraordinary Transformation

In previous appearances before this Subcommittee I have  
described Southeast Asia as a dynamic and exciting region.  
There is no more apt way to describe the current situation  
in Vietnam. It is in the midst of an extraordinary trans-  
formation from an impoverished, inward-looking command  
economy with little space for personal initiative to a more  
open society with a vibrant, free market economy that seeks  
to engage with the wider world.

I recall that when I first went to Vietnam in 1989 to  
interview applicants for the Orderly Departure Program,  
Vietnam consciously tried to block out the outside world.  
A uniformed official gathered all the discarded newspapers  
from incoming airplanes and Vietnamese customs confiscated  
any papers visitors tried to bring in. Now, the situation  
is quite different. Like many other foreign goods and  
services, international newspapers are widely available and  
sold in hotel lobbies and Vietnam is a destination for  
hundreds of thousands of tourists, many of them Americans.

Travel between Vietnam and the United States has grown at a  
rapid rate. This reflects not only tourist and business  
travel and Vietnamese-Americans who return to Vietnam to

invest, trade, visit relatives, or marry, but also increasing numbers of Vietnamese who visit the U.S. Issuance of U.S. student and training visas reached a new high of 3,448 in 2005, which is an increase of 124% since 2001. Business and tourist visas rose sharply last year to 21,765, an increase of 55% since 2001.

In the mid-1980s, Vietnam recognized the failure of doctrinaire Marxist economics and abandoned it in favor of a policy of "doi moi," or renovation. Its goal was to accelerate economic development. The government saw the need to integrate into the world economy; to attract foreign trade, investment, and technology; and to reach out to the United States and others.

Since then, we have developed a relationship with Vietnam that serves both countries' interests. Over time, Vietnam has made some progress on human rights and allowed more personal freedoms because it recognized it could not grow its economy without releasing the dynamism of its population and increasing interaction with the international community. With a growth rate of 8 percent, it is now one of the world's fastest growing economies. Their eagerness to study English, business, and high-tech fields creates an enormous opportunity for us to work with the Vietnamese people constructively.

The entry into force of the U.S.-Vietnam Bilateral Trade Agreement (BTA) in December 2001 has led to greatly expanded trade - from about \$1.5 billion in two-way trade in 2001 to \$7.8 billion in 2005 - and heightened cooperation on economic reform.

U.S. businesses have taken advantage of Vietnam's new openness by investing a total of \$730 million from 1998 to 2005. Most recently, Intel announced plans to invest \$300 million in Vietnam to package and test microchips that power personal computers and mobile phones. The combined cumulative U.S. direct investment and investment from U.S. third-country subsidiaries has made us the largest foreign investor in Vietnam.

On March 24-26, we conducted a round of WTO accession negotiations in Geneva with representatives of the Vietnamese government. Although the U.S. Government is in the process of assessing the Vietnamese offers and consulting with industry, we are clearly approaching an

agreement that will open markets, improve Vietnam's trading rules, and provide both the United States and Vietnam access to dispute resolution mechanisms that will benefit U.S. companies. The conclusion of these negotiations will trigger a Congressional vote on Permanent Normal Trade Relations (PNTR) for Vietnam.

### Expanding Ties

As Vietnam has increased its openness and integration with the global community, our bilateral ties and interactions have rapidly expanded.

During Prime Minister Phan Van Khai's historic meeting with President Bush at the White House on June 21, 2005, commemorating the tenth anniversary of diplomatic relations, the two leaders agreed to cooperate to promote peace, prosperity and stability in Southeast Asia; upgrade our bilateral relations; and increase contacts of all kinds between the Vietnamese and American governments and people.

In addition to the Human Rights Dialogue, we are now frankly discussing a broader range of regional issues because we recognize that we have increasingly common interests. The Vietnamese Government favors a strong U.S. role in the region and realizes the importance of U.S. ties to regional organizations, such as the Association of Southeast Asian Nations (ASEAN).

We now have regular U.S. Naval ship visits to Vietnamese ports and we enjoy good cooperation with the Vietnamese government on identifying and repatriating the remains of American servicemen who lost their lives in the Vietnam conflict. So far, 599 Americans have been identified and repatriated since 1973, and our efforts continue. We are asking the Vietnamese to do even more to help us account for the remaining servicemen.

### Growing Assistance

In their June 21, 2005 Joint Statement, President Bush and Prime Minister Khai also agreed to "strengthen bilateral and multilateral cooperation on transnational issues, including the global fight against terrorism, transnational crime, narcotics, trafficking in persons, health and humanitarian issues, including the prevention of pandemics, especially HIV/AIDS and Avian Influenza."

We are following up this commitment by providing Vietnam with \$34 million in Fiscal Year 2006 assistance under the President's Emergency Plan for AIDS Relief, to support prevention, care and treatment programs to combat HIV/AIDS. With this funding, U.S.-supported programs will reach five million young people with prevention messages, provide HIV counseling and testing for 97,000 individuals, and provide care for 1,500 orphans and vulnerable children. In Fiscal Year 2007, our funding is expected to exceed \$50 million and the number of people receiving care and treatment supported by U.S. assistance will double.

From 2004 to 2006, the United States has committed \$24 million through HHS and USAID to improve Vietnam's basic veterinary and health systems to contain Avian Influenza in Vietnam, where 50 million poultry have been culled, and 42 human deaths recorded. U.S. industry is also playing a role in this critical effort.

The United States supports Vietnam's counter-terrorism capacity with police training provided by the International Law Enforcement Academy (ILEA) in Bangkok and through military exchanges. We are seeking to expand bilateral cooperation to combat trade in illegal narcotics. We also support anti-trafficking programs run by NGOs operating at the borders of China and Cambodia. Furthermore, we provide assistance in humanitarian demining, clearance of unexploded ordnance, and secure trade.

Through the Support for Trade Acceleration (STAR) program, implemented by USAID, we promote trade and customs reform in Vietnam's legal system and help the country to update its civil and commercial laws and implement its obligations under the U.S.-Vietnam Bilateral Trade Agreement (BTA). STAR is effective because it strengthens the legislative role of the National Assembly, improves the business climate for U.S. companies, and helps create conditions conducive to increased prosperity and rising incomes for all participants in the Vietnamese economy.

We have a small International Military Education Training (IMET) program in which we provide English language training to Vietnamese military officers. Building that capacity will be important for Vietnamese officers to participate in future training assignments and peacekeeping operations.

Our Fulbright program with Vietnam, funded at \$5 million for the traditional programs for students and scholars, plus an additional 1.5 million for the Fulbright Economic Teaching Program in Ho Chi Minh City, is one of the largest the world. With these programs, Fulbright funds student and scholarly exchanges and an outstanding one-year program for mid-career managers and policy makers.

One other important source for education of top Vietnamese students is the federally funded Vietnam Education Foundation. Its mission is to strengthen the U.S.-Vietnam bilateral relationship through educational exchanges in science and technology.

In 2006, Congress appropriated \$2 million in Economic Support Funds for individuals and communities in Vietnam's Central Highlands. We have reported to Congress already on our initial planning for the use of these funds and we expect to make final decisions in the near future.

#### Human Rights and Religious Freedom

As Assistant Secretary Lowenkron and Ambassador Hanford laid out in detail, there remain serious deficiencies in Vietnam with respect to human rights and religious and political freedoms. Vietnamese citizens have no meaningful vote. The government, which is firmly under the control of the Communist Party, places severe restrictions on freedom of political speech, limits access to the internet, and continues to block Radio Free Asia broadcasts. In addition, Vietnam remains a Country of Particular Concern (CPC) for severe violations of religious freedom. We are addressing these important issues head-on in the Human Rights Dialogue and in our day-to-day diplomatic conversations with the Vietnamese Government.

There are also positive developments on the human rights and religious freedoms front in Vietnam that should be underscored. These include: the July 2004 Ordinance on Religion and Belief and its implementing regulations; the Prime Minister's February 2005 instruction on Protestantism, which bans forced renunciations of faith; and the May 5, 2005, exchange of letters between the United States and Vietnam. These represent a commitment by Vietnam to expand the scope of religious freedom. We have welcomed the release of pro-democracy activist Nguyen Dan

Que and religious dissident Father Nguyen Van Ly although others, including Dr. Pham Hong Son, remain incarcerated, and we are working hard to get them released. The Vietnamese can and should do more.

### Watershed Year

I see 2006 as a watershed year for the bilateral relationship. Building on the positive momentum generated by last year's visit by Prime Minister Phan Van Khai, we are working this year toward the successful conclusion of our bilateral WTO negotiations with Vietnam - an agreement that benefits both the United States and Vietnam, and leads to its accession to the WTO.

In this regard, I look forward to working with Congress when it takes up the issue of Permanent Normal Trade Relations for Vietnam. We also will continue to press for improvements in the area of religious freedom and human rights. The culmination of our efforts to advance the bilateral relationship in 2006 will be President Bush's visit to Hanoi for the Asia Pacific Economic Cooperation (APEC) Leaders Meeting -- which the Government of Vietnam will host in November.

In sum, we are making progress on many fronts with Vietnam. In confronting transnational issues, expanding prosperity, and promoting regional stability, Vietnam's interests are increasingly aligned with our own -- and, on human rights and related issues, we are narrowing our differences. Looking ahead, we face a year full of opportunity for both nations to pursue common interests and strengthen this important relationship.

Thank you. I would be happy to take your questions.